

# **WELLDONE REAL ESTATE LIMITED**

## **DIRECTORS' REPORT**

Your Directors are pleased to present the Eighth Annual Report and the Audited Accounts for the year ended 31<sup>st</sup> March, 2013.

### **FINANCIAL RESULTS:**

<b>Particulars</b>	<b>Amount in Rs.</b>	
	<b>Year Ended 31-03-2013</b>	<b>Year Ended 31-03-2012</b>
<b>Total Income</b>	<b>15,308</b>	2,22,96,694
<b>Total Expenditure including Depreciation</b>	<b>1,03,265</b>	2,24,34,426
<b>Loss before tax</b>	<b>87,957</b>	1,37,732
<b>Less: Provision for tax</b>	<b>1456</b>	1571
<b>Loss after tax</b>	<b>86,501</b>	1,39,303

### **OPERATIONS:**

During the year under review your Company has received Rs. 13,68,033/- as unsecured interest free loan and repaid loans amounting to Rs. 4,10,000/- to its holding Company Jai Realty Ventures Limited.

### **DIVIDEND:**

In view of the loss for the year, your Directors do not recommend any dividend.

### **DIRECTORS:**

Mr. Subodh Agrawal, who retires by rotation and being eligible, has offered himself for re-appointment.

### **DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is, hereby, confirmed:

- (i) that in the preparation of the accounts for the financial year ended 31<sup>st</sup> March, 2013, applicable accounting standards have been followed along with proper explanation relating to material departure ;
- (ii) that appropriate accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2013 and of the loss of the Company for the period ended on that date;
- (iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) that accounts for the financial year ended 31<sup>st</sup> March, 2013 have been prepared on a 'going concern' basis.

**AUDITORS AND AUDITORS' REPORT:**

Messrs Pathak H. D. & Associates, Chartered Accountants, Mumbai, hold office as statutory auditors of the Company until the conclusion of the ensuing Annual General Meeting. It is proposed to re-appoint them as Statutory Auditors of the Company from the conclusion of the ensuing Annual General Meeting until the conclusion of the next Annual General Meeting. Pursuant to the provisions of Section 224 (1B) of the Companies Act, 1956 your Company has received a certificate from Messrs Pathak H. D. & Associates, Chartered Accountants confirming their eligibility for re-appointment.

**DISCLOSURE OF PARTICULARS RELATING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Nil

**FIXED DEPOSIT:**

Your Company has not accepted any fixed deposit during the year under review.

**PARTICULARS OF EMPLOYEES:**

There are no employees whose remuneration requires disclosure in terms of the provisions of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

**ACKNOWLEDGEMENT:**

Your Directors express their grateful appreciation for the assistance and co-operation received from the banks and other institutions, government authorities and shareholders during the period under review.

**For and on behalf of the Board of Directors**

Date: 30.04.2013  
Place: Mumbai

**Director**

## INDEPENDENT AUDITORS' REPORT

**To the Members of WELLDONE REAL ESTATE LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **WELLDONE REAL ESTATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) In the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### **Emphasis of Matter**

Without qualify our report, we drawn attention to the note 12.1 of the financial statement, in respect of balance of advances against purchase of land, for which balance confirmations not received.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that :
  - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books;
  - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;

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- d) In our opinion the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956;
- e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act 1956.

**For PATHAK H.D. & ASSOCIATES**  
Chartered Accountants  
(Firm Registration Number - 107783W)

Place: Mumbai  
Date: 30<sup>th</sup> April 2013

**ANUJ BHATIA**  
Partner  
Membership No. 122179

## ANNEXURE TO INDEPENDENT AUDITORS' REPORT

(Annexure referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date to the members of Welldone Real Estate Limited on the accounts for the year ended 31<sup>st</sup> March 2013 )

- (i) In respect of its fixed assets:
- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
  - (b) As explained to us, all the fixed assets have been physically verified by the management. No material discrepancies were noticed on such verification as compared with the available records.
  - (c) In our opinion and according to the information and explanation given to us, the Company has not disposed off a substantial part of its fixed assets during the year and going concern status of the Company is not affected.
- (ii) In respect of its inventories:
- The Company has inventories only in relation to the development projects in progress. It does not have any other inventories during the year. The management has physically verified the project under development and no discrepancies were noticed. The Company has maintained the proper records for these projects.
- (iii) In respect of loans, secured / unsecured, granted or taken by the Company to / from Companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956: -
- (a) According to the information and explanations given to us, during the year, the Company has not given any loan, the provisions of Sub-clause (a) to (d) of Clause (iii) of paragraph 4 of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
  - (b) The Company has taken an unsecured loan from its holding Company. The maximum amount outstanding at any time during the year was Rs. 13,67,727/- and year-end balance is Rs. 9,58,033/-.

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- (c) According to the information and explanation given to us, the aforesaid loan is interest free loan and other terms and conditions of such loan are not prima facie prejudicial to the interest of the Company.
- (d) The above interest free loan is not due for repayment & hence the question of overdue amount does not arise.
- (iv) In our opinion and according to the information and explanations given to us there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and for the sale of goods. During the year, the Company did not undertake any activity of purchase of inventory, fixed assets and sale of services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system.
- (v) According to the information and explanations given to us, there are no contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered in the register required to be maintained under that section.
- (vi) According to the information and explanations given to us, the Company has not accepted any deposits from the public. Hence, the provisions of Clause (vi) of paragraph 4 of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) As the Company is not listed company or net worth of it as on last date of immediately financial year was not excess of Rs. Five Crores or turnover during the immediately financial year was not in excess of Rs. Twenty Crores and accordingly, the cost records under Section 209(1)(d) of the Companies Act, 1956 as prescribed by Central Government are not applicable to the year under audit.
- (ix) In respect of statutory and other dues:
  - (a) According to the records of the Company, the Company has generally been regular during the year in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth Tax, Custom Duty, Excise Duty, Service Tax and Cess and other material statutory dues, as applicable, with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as at 31<sup>st</sup> March, 2013 for a period of more than six months from the date they became payable.

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- (b) The disputed statutory dues aggregating to Rs. 692,679/- that have not been deposited on account of matters pending before appropriate authorities are as under:-

Name of the Statute	Nature of the Dues	Amount in Rs.	Period	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	289,112*	2007-08	Commissioner of Income Tax (Appeal)
		221,617#	2008-09	
		181,950\$	2009-10	
<b>Total</b>		692,679		

(\* ) Net of amount Rs 11,90,000/- deposited under protest.

(#) Net of amount Rs 7,20,000/- deposited under protest.

(\$) Net of amount Rs 6,45,000/- deposited under protest.

- (x) The Company has accumulated losses at the end of the financial year which is not more than fifty per cent of its net worth. The Company has incurred cash losses during the current financial year and in the immediately preceding financial year.
- (xi) Based on our audit procedures and on the information and explanations given by the management, the Company has not taken any borrowings from financial institutions, banks or debenture holders, hence the provisions of Clause (xi) of paragraph 4 of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us and based on the information available, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi mutual benefit fund/society. Hence, the provisions of Clause (xiii) of paragraph 4 of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- (xiv) The Company has no transactions and contracts in respect of dealing and trading in shares and other securities, hence the provisions of Clause (xiv) of paragraph 4 of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.



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- (xv) As per the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions, hence the provisions of Clause (xv) of paragraph 4 of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- (xvi) To the best of our knowledge and belief and according to the information and explanations given to us, no term loan has been raised during the year. Hence, the provisions of Clause (xvi) of paragraph 4 of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- (xvii) On review of utilization of funds based on an overall examination of the Balance Sheet of the Company as at 31<sup>st</sup> March, 2013, we report that prima facie, funds raised on short-term basis have not been utilized for long term investment.
- (xviii) During the year, the Company has not made preferential allotment of shares to the parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) The Company has not issued any Debentures during the year.
- (xx) The Company has not raised any money by way of public issue during the year.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

**For PATHAK H.D. & ASSOCIATES**  
Chartered Accountants  
(Firm Registration Number - 107783W)

Place: Mumbai  
Date: 30<sup>th</sup> April 2013

**ANUJ BHATIA**  
Partner  
Membership No. 122179

**WELLDONE REAL ESTATE LIMITED**  
**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2013**

**(Amount in Rs.)**

Particulars	Note	As At 31 <sup>st</sup> March, 2013		As At 31 <sup>st</sup> March, 2012
<b>I EQUITY AND LIABILITIES</b>				
<b>1 Shareholders' funds</b>				
Share Capital	2	573,500		573,500
Reserves and Surplus	3	<u>5,471,811</u>	6,045,311	<u>5,558,312</u> 6,131,812
<b>2 Non-current Liabilities</b>				
Long-term Borrowings	4	958,033		-
Deferred Tax Liabilities (Net)	5	<u>37,467</u>	995,500	<u>38,923</u> 38,923
<b>3 Current Liabilities</b>				
Trade Payables	6	37,605		37,605
Other Current Liabilities	7	<u>14,045</u>	51,650	<u>14,045</u> 51,650
<b>TOTAL</b>			<u><u>7,092,461</u></u>	<u><u>6,222,385</u></u>
<b>II ASSETS</b>				
<b>1 Non-current Assets</b>				
Fixed Assets - Tangible	8	632,077		698,528
Long-term Loans and Advances	9	<u>2,625,774</u>	3,257,851	<u>790,774</u> 1,489,302
<b>2 Current Assets</b>				
Inventories	10	2,483,829		2,483,829
Cash and Bank Balances	11	172,756		1,071,229
Short-term Loans and Advances	12	<u>1,178,025</u>	3,834,610	<u>1,178,025</u> 4,733,083
<b>TOTAL</b>			<u><u>7,092,461</u></u>	<u><u>6,222,385</u></u>
<b>Significant Accounting Policies</b>	1			
<b>Notes on Financial Statements</b>	2 to 21			

As per our report of even date  
**For Pathak H. D. & Associates**  
Chartered Accountants

For and on behalf of the Board of Directors

**Anuj Bhatia**  
Partner

**Subodh Agarwal**  
Director

**Venugopal Nair**  
Director

**Place :** Mumbai  
**Date :** 30<sup>th</sup> April, 2013

**WELLDONE REAL ESTATE LIMITED****STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2013****(Amount in Rs.)**

<b>Particulars</b>	<b>Note</b>	<b>Year Ended 31<sup>st</sup> March, 2013</b>	<b>Year Ended 31<sup>st</sup> March, 2012</b>
<b>I Revenue From Operations</b>	<b>13</b>	-	22,296,694
<b>II Other Income</b>	<b>14</b>	<b>15,308</b>	-
<b>III Total Revenue</b>		<b>15,308</b>	22,296,694
<b>IV Expenses</b>			
Changes in Inventories of Work in Progress	15	-	22,337,429
Depreciation	8	66,451	66,451
Other Expenses	16	36,814	30,546
<b>Total Expenses</b>		<b>103,265</b>	22,434,426
<b>V Profit / (Loss) Before Tax (II- III)</b>		<b>(87,957)</b>	(137,732)
<b>VI Tax Expense</b>			
Deferred Tax / (Credit)		(1,456)	1,571
<b>VII Net Profit / (Loss) for the Year (IV - V)</b>		<b>(86,501)</b>	(139,303)
<b>VIII Earnings per Equity Share of Rs.10 each (Basic and Diluted) (In Rs.)</b>	<b>17</b>	<b>(1.73)</b>	(2.79)
<b>Significant Accounting Policies Notes on Financial Statements</b>	<b>1 2 to 21</b>		

As per our report of even date  
**For Pathak H. D. & Associates**  
Chartered Accountants

For and on behalf of the Board of Directors

**Anuj Bhatia**  
Partner

**Subodh Agarwal**  
Director

**Venugopal Nair**  
Director

**Place :** Mumbai

**Date :** 30<sup>th</sup> April, 2013

**WELLDONE REAL ESTATE LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2013**

**(Amount in Rs.)**

Particulars	Year Ended 31 <sup>st</sup> March, 2013	Year Ended 31 <sup>st</sup> March, 2012
<b>A. Cash Flow from Operating Activities</b>		
Net Loss before tax as per Statement of Profit and Loss	(87,957)	(137,732)
<b>Adjusted for</b>		
Depreciation	66,451	66,451
Profit on Sale of Current Investments	(15,308)	-
<b>Operating Loss before Working Capital Changes</b>	(36,814)	(71,281)
<b>Adjusted for</b>		
Inventories	-	22,337,429
Trade and Other Payables	-	(768,512)
<b>Cash Generated from Operation</b>	(36,814)	21,497,636
Direct Taxes Paid	(1,835,000)	(320,000)
<b>Net Cash from / (used in) Operating Activities</b>	(1,871,814)	21,177,636
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Investment	(395,000)	-
Sale of Investment	410,308	-
<b>Net Cash From Investing Activities</b>	15,308	-
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from Long term Borrowings	1,368,033	1,241,706
Re-payment of Long term Borrowings	(410,000)	(21,615,000)
<b>Net Cash used in Financing Activities</b>	958,033	(20,373,294)
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	(898,473)	804,342
<b>Opening Balance of Cash and Cash Equivalents #</b>	1,071,229	266,887
<b>Closing Balance of Cash and Cash Equivalents #</b>	172,756	1,071,229

**# Components of Cash and Cash equivalents Refer note 11**

**Notes :**

- 1 Figures in brackets represent cash outflow.
- 2 The above Cash Flow Statements has been prepared under the "Indirect Method" as set out in Accounting Standard-3 "Cash Flow Statement" as notified in the Companies (Accounting Standards) Rules, 2006.
- 3 The previous year's figures have been regrouped, rearranged, restated and reclassified wherever necessary.

As per our report of even date

**For Pathak H. D. and Associates**

Chartered Accountants

For and on behalf of the Board of Directors

**Anuj Bhatia**

Partner

**Subodh Agarwal**

Director

**Venugopal Nair**

Director

**Place :** Mumbai

**Date :** 30<sup>th</sup> April, 2013

## WELLDONE REAL ESTATE LIMITED

### Notes on Financial statements for the year ended 31<sup>st</sup> March, 2013

#### Note 1 Significant Accounting Policies

**(A) Basis Of Preparation Of Financial Statements**

The financial statements have been prepared as a going concern under historical cost convention, in accordance with the notified Accounting Standards by Companies (Accounting Standards) Rules, 2006 (as amended) and the provisions of the Companies Act, 1956 as adopted consistently by the Company.

**(B) Use Of Estimates**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the Financial Statements and the reported amount of revenue and expenses during the reporting period. Differences between the actual results and estimates are recognised in the period in which the results are known/materialised.

**(C) Fixed Assets**

Fixed Assets are stated at cost of acquisition less accumulated depreciation and impairment loss, if any.

**(D) Depreciation**

Depreciation has been provided on Straight line method as the rates and manner prescribed under Schedule XIV to the Companies Act, 1956.

**(E) Inventories**

Cost of inventories consists of cost of land, land development expenses, material services, construction cost, interest and financial charges and other expenses related to project under development. In general, all Inventories of land are stated at cost or net realisable value.

**(F) Investments**

Current Investments are carried at lower of cost and market value/NAV, computed individually. Long term investments are stated at cost. Provision for diminution in the value of long term investments is made only if such decline is other than temporary in the opinion of the management.

**(G) Preliminary And Share Issue Expenses**

Preliminary and share issue expenses are charged to the Statement of Profit and Loss in the year in which they are incurred.

**(H) Provision For Current And Deferred Tax**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the assets will be realized in future.

**(I) Provision, Contingent Liabilities And Contingent Assets**

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote. Contingent assets are neither recognized nor disclosed in the financial statements.

**(J) Revenue Recognition**

Revenue is recognised only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sales of land and is recognised when significant risk and rewards of ownership of the land have passed to the buyer.

**WELLDONE REAL ESTATE LIMITED**
**Notes on Financial statements for the year ended 31<sup>st</sup> March, 2013**
**Note 2 - Share Capital**

Particulars	(Amount in Rs.)	
	As At 31 <sup>st</sup> March, 2013	As At 31 <sup>st</sup> March, 2012
<b>Authorised</b>		
<b>60,000</b> Equity Shares of Rs. 10 each (60,000)	<b>600,000</b>	600,000
<b>40,000</b> 1% Optionally Convertible Non-Cumulative, Redeemable (40,000) Preference Shares of Rs. 10 each	<b>400,000</b>	400,000
<b>Total</b>	<b>1,000,000</b>	1,000,000
<b>Issued, Subscribed and Paid up</b>		
<b>50,000</b> Equity Shares of Rs. 10 each fully paid up (50,000)	<b>500,000</b>	500,000
<b>7,350</b> 1% Optionally Convertible Non-Cumulative, Redeemable (7,350) Preference Shares of Rs. 10 each fully paid up	<b>73,500</b>	73,500
<b>Total</b>	<b>573,500</b>	573,500

Figures in bracket represent previous year figures.

**2.1 (i) Reconciliation of number of Equity Shares outstanding.**

Particulars	As At	
	31 <sup>st</sup> March, 2013	31 <sup>st</sup> March, 2012
Number of Shares outstanding at the beginning of the year	50,000	50,000
Number of Shares outstanding at the end of the year	50,000	50,000

**(ii) Reconciliation of number of Preference Shares outstanding.**

Particulars	As At	
	31 <sup>st</sup> March, 2013	31 <sup>st</sup> March, 2012
Number of Shares outstanding at the beginning of the year	7,350	7,350
Number of Shares outstanding at the end of the year	7,350	7,350

**2.2 (i) The Terms / Rights attached to the Equity Shares**

Holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by shareholders.

**(ii) The Terms of conversion / redemption of Preference Shares**

1% Optionally Convertible, Non - cumulative, Redeemable Preference Shares (OCPS) of Rs.10/- each fully paid-up were allotted on 31st January, 2008. The OCPS are redeemable at the option of the Company any time from the date of issue but before the end of 20 years. The holder has the option to seek conversion any time before redemption. The OCPS are redeemable at a premium of Rs.990/- per share. The preference share holders have a preferential right to non cumulative dividend of 1% per annum, carry a preferential right for repayment of capital in priority to the equity shares, on liquidation of the Company or repayment of capital. However, the preference shares carry no further or other right to participate either in the profits or assets of the Company.

**2.3** Redemption Premium on preference shares as mentioned above will be paid out of the Securities Premium Reserve and hence no provision has been considered necessary.

**2.4 Details of shares in the Company held by Holding Company**

Particulars	As At	
	31 <sup>st</sup> March, 2013	31 <sup>st</sup> March, 2012
<b>Jai Realty Ventures Limited</b>		
Equity Shares (in Nos.) ( Including Equity Shares held jointly with nominees)	<b>50,000</b>	50,000
1% Optionally Convertible Non-Cumulative, Redeemable Preference Shares (in Nos.)	<b>7,350</b>	7,350

**2.5 Details of shares in the Company held by each shareholder holding more than 5% shares:**

Name of Shareholder	As at 31 <sup>st</sup> March, 2013		As at 31 <sup>st</sup> March, 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<b>Jai Realty Ventures Limited.</b>				
Equity Shares ( Including Equity Shares held jointly with nominees)	<b>50,000</b>	<b>100</b>	50,000	100
1% Optionally Convertible Non-Cumulative, Redeemable Preference Shares	<b>7,350</b>	<b>100</b>	7,350	100

**WELLDONE REAL ESTATE LIMITED**  
**Notes on Financial statements for the year ended 31<sup>st</sup> March, 2013**

**Note 3 - Reserves and Surplus**

Particulars	(Amount in Rs.)	
	As At 31 <sup>st</sup> March, 2013	As At 31 <sup>st</sup> March, 2012
<b>Securities Premium Account</b>		
As per Last Balance Sheet	7,276,500	7,276,500
<b>Surplus - Opening Balance</b>	(1,718,188)	(1,578,885)
Add: Loss for the year	(86,501)	(139,303)
<b>Surplus - Closing Balance</b>	(1,804,689)	(1,718,188)
<b>Total</b>	<b>5,471,811</b>	<b>5,558,312</b>

**Note 4 - Long - Term Borrowings**

Particulars	(Amount in Rs.)	
	As At 31 <sup>st</sup> March, 2013	As At 31 <sup>st</sup> March, 2012
<b>Unsecured Loans</b>		
Loan from Related Party	958,033	-
<b>Total</b>	<b>958,033</b>	<b>-</b>

4.1 The above interest free loan from Jai Realty Ventures Limited, holding company, is repayable on or before 30th June, 2014 with an option to the company to repay earlier if sufficient funds are available with the company.

4.2 For details refer note 20

**Note 5 - Deferred Tax Liabilities (Net)**

Particulars	(Amount in Rs.)	
	As At 31 <sup>st</sup> March, 2013	As At 31 <sup>st</sup> March, 2012
<b>Deferred Tax Liabilities</b>		
Related to Fixed Assets	37,467	38,923
<b>Deferred Tax Assets</b>	-	-
<b>Total</b>	<b>37,467</b>	<b>38,923</b>

**Note 6 - Trade Payables**

Particulars	(Amount in Rs.)	
	As At 31 <sup>st</sup> March, 2013	As At 31 <sup>st</sup> March, 2012
Micro, Small and Medium Enterprises	-	-
Others	37,605	37,605
<b>Total</b>	<b>37,605</b>	<b>37,605</b>

6.1 The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act 2006 and hence disclosures as required by notification dated 16.11.2007 issued by the Ministry of Company Affairs have not been given.

**Note 7 - Other Current Liabilities**

Particulars	(Amount in Rs.)	
	As At 31 <sup>st</sup> March, 2013	As At 31 <sup>st</sup> March, 2012
Expenses Payables	14,045	14,045
<b>Total</b>	<b>14,045</b>	<b>14,045</b>

**WELLDONE REAL ESTATE LIMITED**

Notes on Financial statements for the year ended 31<sup>st</sup> March, 2013

**Note 8 - Fixed Assets**

(Amount in Rs.)

Description	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As At 1 <sup>st</sup> April, 2012	Additions	Deductions	As At 31 <sup>st</sup> March, 2013	Upto 31 <sup>st</sup> March, 2012	For the Year	Deductions/ Adjustments	Upto 31 <sup>st</sup> March, 2013	As At 31 <sup>st</sup> March, 2013	As At 31 <sup>st</sup> March, 2012
<b>Tangible Assets - Owned</b>										
Furniture and Fixtures	733,056	-	-	<b>733,056</b>	200,281	46,402	-	<b>246,683</b>	<b>486,373</b>	532,775
Vehicles	54,874	-	-	<b>54,874</b>	23,316	5,213	-	<b>28,529</b>	<b>26,345</b>	31,558
Office Equipment	198,267	-	-	<b>198,267</b>	64,072	14,836	-	<b>78,908</b>	<b>119,359</b>	134,195
<b>GRAND TOTAL</b>	<b>986,197</b>	-	-	<b>986,197</b>	<b>287,669</b>	<b>66,451</b>	-	<b>354,120</b>	<b>632,077</b>	<b>698,528</b>
PREVIOUS YEAR	986,197	-	-	986,197	221,218	66,451	-	287,669	698,528	-



**WELLDONE REAL ESTATE LIMITED**  
**Notes on Financial statements for the year ended 31<sup>st</sup> March, 2013**

**Note 9 - Long - Term Loans and Advances**

Particulars	(Amount in Rs.)	
	As At 31 <sup>st</sup> March, 2013	As At 31 <sup>st</sup> March, 2012
<b>(Unsecured, Considered Good)</b>		
Income Tax (Net)	2,625,774	790,774
<b>Total</b>	<b>2,625,774</b>	<b>790,774</b>

**Note 10- Inventories**

Particulars	(Amount in Rs.)	
	As At 31 <sup>st</sup> March, 2013	As At 31 <sup>st</sup> March, 2012
<b>(As certified and valued by Management)</b>		
Work-in-Progress - Land and Development Expenses	2,483,829	2,483,829
<b>Total</b>	<b>2,483,829</b>	<b>2,483,829</b>

- 10.1 For mode of valuation of inventories please refer Note No.1 (E)  
10.2 Conveyance Deed is yet to be executed.

**Note 11 - Cash and Bank Balances**

Particulars	(Amount in Rs.)	
	As At 31 <sup>st</sup> March, 2013	As At 31 <sup>st</sup> March, 2012
<b>Cash and Cash Equivalents</b>		
Balance with Banks in Current Account	172,756	1,071,229
<b>Total</b>	<b>172,756</b>	<b>1,071,229</b>

**Note 12 - Short Term Loans & Advances**

Particulars	(Amount in Rs.)	
	As At 31 <sup>st</sup> March, 2013	As At 31 <sup>st</sup> March, 2012
<b>(Unsecured, Considered Good)</b>		
Advance towards purchase of Land	1,178,025	1,178,025
<b>Total</b>	<b>1,178,025</b>	<b>1,178,025</b>

- 12.1 Advance towards Purchase of Land are subject to confirmation, though management is confident of recovery.

**Note 13 - Revenues from Operations**

Particulars	(Amount in Rs.)	
	Year Ended 31 <sup>st</sup> March, 2013	Year Ended 31 <sup>st</sup> March, 2012
Sale of Product - Land	-	22,296,694
<b>Total</b>	<b>-</b>	<b>22,296,694</b>

**Note 14 - Other Income**

Particulars	(Amount in Rs.)	
	Year Ended 31 <sup>st</sup> March, 2013	Year Ended 31 <sup>st</sup> March, 2012
Profit on Sale of Current Investments	15,308	-
<b>Total</b>	<b>15,308</b>	<b>-</b>

**WELLDONE REAL ESTATE LIMITED**  
**Notes on Financial statements for the year ended 31<sup>st</sup> March, 2013**

**Note 15 - Changes in Inventories of Work in Progress**

Particulars	(Amount in Rs.)	
	Year Ended 31 <sup>st</sup> March, 2013	Year Ended 31 <sup>st</sup> March, 2012
<b>At the end of the Year</b>		
Work-in-Progress	2,483,829	2,483,829
<b>At the beginning of the Year</b>		
Work-in-Progress	2,483,829	24,821,258
<b>Total</b>	<u>-</u>	<u>22,337,429</u>

**Note 16 - Other Expenses**

Particulars	(Amount in Rs.)	
	Year Ended 31 <sup>st</sup> March, 2013	Year Ended 31 <sup>st</sup> March, 2012
<b>Administrative and General Expenses</b>		
Rates and Taxes	2,806	3,112
Legal, Professional and Consultancy Charges	8,727	9,676
Other Expenses	-	3,713
<b>Payment to Auditors</b>		
Audit Fees	14,045	14,045
Tax Audit Fees	11,236	-
<b>Total</b>	<u>36,814</u>	<u>30,546</u>

**Note 17 - Earnings Per Equity Share**

Particulars	Year Ended	Year Ended
	31 <sup>st</sup> March, 2013	31 <sup>st</sup> March, 2012
Net Loss for the Year Attributable for Equity Shareholders for Basic and Diluted EPS (In Rs.)	(86,501)	(139,303)
Weighted Average Number of Equity Shares Outstanding During the Year for Basic EPS and Diluted EPS (in Nos.)	50,000	50,000
Basic and Diluted Earning per share of Rs. 10 each (in Rs.)	(1.73)	(2.79)
Face Value per Equity Share (in Rs.)	10.00	10.00

17.1 The effects of 1% Optionally Convertible Non-Cumulative Redeemable Preference Shares on the earning per share are anti-dilutive and hence, the same is ignored for the purpose of calculation of dilutive earning per share.

**Note 18 - Contingent Liabilities**

Particulars	(Amount in Rs.)	
	As At 31 <sup>st</sup> March, 2013	As At 31 <sup>st</sup> March, 2012
<b>Contingent Liabilities</b>		
<b>Claims against the Company not acknowledged as debts</b>		
<b>Disputed Liabilities in Appeal (No Cash outflow is expected in the near future)</b>		
- Income Tax	3,247,679	3,247,679
<b>Total</b>	<u>3,247,679</u>	<u>3,247,679</u>

During 2009-10 Income tax department has carried out search and seizure actions under section 132 of the Income Tax Act, 1961 ("Act") in the case of the Company, its employees and close associates who were closely involved in the processing of acquiring the land. As a result, the Company has received demand under section 156 of the Act. The Company has disputed the same and paid Rs.25,55,000 till 31st March, 2013 under protest and filed an appeal against the above order with CIT (A). The company has been advised that the above demands are not likely to be resulted into any material tax liability and hence no provision is considered necessary in respect of the above

**WELLDONE REAL ESTATE LIMITED**Notes on Financial statements for the year ended 31<sup>st</sup> March, 2013**Note 19 - Segment Reporting**

In the opinion of the Management and based on consideration of dominant source and nature of risk and returns, the Company's activities, during the year revolved around the single segment namely, "Builders and Developers". Considering the nature of Company's business and operations, there are no separate reportable segment (Business and/or Geographical) in accordance with the requirement of Accounting Standard 17-"Segment Reporting" as notified in the Companies (Accounting Standards) rules 2006.

**Note 20 - Related Party Disclosure**

Information on Related Parties Disclosures as per Accounting Standard (AS-18) - "Related Party Disclosures" are given below:

**(A) List of Related Parties :**

Jai Realty Ventures Limited  
Jai Corp Limited

Holding Company  
Ultimate Holding Company

**(B) Transactions with Related Parties :**

<b>Name of the Party</b>	<b>Nature of Transaction</b>	<b>2012-13</b>	<b>2011-12</b>
Jai Realty Ventures Limited	<b>Long-term Borrowings</b>		
	-- Opening Balance	-	20,373,294
	-- Received During the year	<b>1,368,033</b>	1,241,706
	-- Refund / Adjusted During the year	<b>410,000</b>	21,615,000
	-- Closing Balance	<b>958,033</b>	-

**Note 21**

Previous year's figures have been re-grouped, reworked, reclassified and re-arranged wherever necessary.

As per our report of even date  
**For Pathak H. D. & Associates**  
Chartered Accountants

For and on behalf of the Board of Directors

**Anuj Bhatia**  
Partner

**Subodh Agarwal**  
Director

**Venugopal Nair**  
Director

**Place :** Mumbai  
**Date :** 30<sup>th</sup> April, 2013